

MONTHLY FINANCIAL REPORT FOR CORPORATE OR PARTNERSHIP DEBTOR

Case No. 09-20780-KAD Report Month/Year October 2009
Debtor The Cascadia Project LLC

INSTRUCTIONS: The debtor's monthly financial report shall include a cover sheet signed by the debtor and all UST forms and supporting documents. Exceptions, if allowed, are noted in the checklist below. Failure to comply with the reporting requirements of Local Bankruptcy Rule 2015-2(a), or the United States Trustee's reporting requirements, is cause for conversion or dismissal of the case.

The debtor has provided the following with this monthly financial report: Yes No

UST-12	Comparative Balance Sheet, or debtor's balance sheet. The debtor's balance sheet, if used, shall include a breakdown of pre- and post-petition liabilities. The breakdown may be provided as a separate attachment to the debtor's balance sheet.	<input checked="" type="checkbox"/> <input type="checkbox"/>
UST-13	Comparative Income Statement, or debtor's income statement.	<input checked="" type="checkbox"/> <input type="checkbox"/>
UST-14	Summary of Deposits and Disbursements	<input checked="" type="checkbox"/> <input type="checkbox"/>
UST-14 Continuation Sheets	Statement(s) of Cash Receipts and Disbursements A Continuation Sheet shall be completed for each bank account or other source of debtor funds and shall include a monthly bank statement and all supporting documents described in the instructions.	<input checked="" type="checkbox"/> <input type="checkbox"/>
UST-15	Statement of Aged Receivables A detailed accounting of aged receivables shall be provided on, or in an attachment to, UST-15.	<input checked="" type="checkbox"/> <input type="checkbox"/>
UST-16	Statement of Aged Post-Petition Payables A detailed accounting of aged post-petition payables shall be provided on, or in an attachment to, UST-16.	<input checked="" type="checkbox"/> <input type="checkbox"/>
UST-17	Other Information When applicable, attach supporting documents such as an escrow statement for the sale of real property or an auctioneer's report for property sold at auction. When changes or renewals of insurance occur, attach a copy of the new certificate of insurance or a copy of the bond.	<input checked="" type="checkbox"/> <input type="checkbox"/>

CONTACT INFORMATION

Who is the best person to contact if the UST has questions about this report?

Name Scott Wu
Telephone (425) 646-3037
Email wu@CascadiaCorp.com

DEBTOR'S CERTIFICATION

INSTRUCTIONS: The debtor, or trustee, if appointed, must answer questions 1 and 2 and sign this financial report where indicated below. Only an officer or director has authority to sign a financial report for a corporate debtor and only a general partner has authority to sign a financial report for a partnership debtor. Debtor's counsel may not sign a financial report for the debtor.

Question 1 At month end, was the debtor delinquent on any post-petition tax obligation?

Yes ☐ No ☒

If yes, list each delinquent post-petition tax obligation on page 9.

Question 2 For purposes of calculating the debtor's obligation under 28 U.S.C. 1130(a)(6) to pay a quarterly fee to the United States Trustee, **TOTAL DISBURSEMENTS** this month from all sources were:

Complete page 6 to calculate **TOTAL DISBURSEMENTS** and enter the total here.

\$ 500.00

I certify under penalty of perjury that other information contained in this monthly financial report is complete, true, and accurate to the best of my knowledge, information, and belief.

Debtor's
signature

The Cascadia Project LLC

by: *Sh [Signature]*

LFO

Date

11-18-09

Monthly Financial Reports(due on the 15th of the subsequent month)

Original Place of Filing:

Seattle, WA ▼	Tacoma, WA ▼
File the <u>original</u> with the court:: United States Bankruptcy Court United States Courthouse 700 Stewart Street, Suite 6103 Seattle, WA 98101	File the <u>original</u> with the court:: United States Bankruptcy Court 1717 Pacific Avenue, Suite 2100 Tacoma, WA 98402
AND serve a <u>copy</u> on each of the following: <ul style="list-style-type: none">● Each member of any committees elected or appointed pursuant to the Bankruptcy Code, and to their authorized agents.● Debtor's counsel.	
NOTE: If the report is electronically filed with the Court, the United States Trustee will be served automatically. There is no need to serve an additional copy on the United States Trustee.	

UST-12, COMPARATIVE BALANCE SHEET*Please see attached Balance Sheet*

As of month ending ⇨			
ASSETS			
Current Assets			
Cash			
Cash - Held by Others (Escrow & Attorney Trust Accounts)			
Accounts Receivable (net)			
Notes Receivable			
Inventory			
Prepaid Expenses			
Other (attach list)			
Total Current Assets			
Fixed Assets			
Real Property/Buildings			
Equipment			
Accumulated Depreciation			
Total Fixed Assets			
Other Assets (attach list)			
TOTAL ASSETS			
LIABILITIES			
Post-Petition Liabilities			
Taxes Payable			
Other Accounts Payables			
Notes Payable			
Rents, Leases & Mortgages Payable			
Accrued Interest			
Other (specify)			
Total Post-Petition Liabilities			

(contd. on next page)

Debtor CASCADIA PROJECT LLC

Case Number ⇒ 09-20780

Report Mo/Yr ⇒ 10/2009

UST-12, COMPARATIVE BALANCE SHEET (contd.)

please see attached Balance Sheet

As of month ending ⇒			
Pre-Petition Liabilities			
Unsecured Debt			
Priority Debt:			
Taxes			
Wages			
Deposits			
Other			
Notes Payable (Secured Debt)			
Total Pre-Petition Liabilities			
TOTAL LIABILITIES			
EQUITY			
Stockholders' Equity (Or Deficit)			
Capital Stock			
Paid-In Capital			
Retained Earnings			
Total Stockholders' Equity (Or Deficit)			
Partners' Investment (Or Deficit)			
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY OR PARTNERS' INVESTMENT			

Footnotes to balance sheet:

UST-12

The Cascadia Project LLC

Statements of Assets, Liabilities and Member's Deficit

Federal Income Tax Basis

October 31, 2009

Assets

Land and improvements	\$ 117,656,561
Investment in Joint Venture	7,767,634
Cash and cash equivalents	45,030
Escrow - restricted cash	348,466
Accounts receivable	2,820,000
Due from related parties	997,170
Prepaid expenses	197,793
Equipment, net of depreciation	21,471
Total assets	<u>\$ 129,854,125</u>

Liabilities and Member's Deficit

Pre-petition liabilities:	
Pre-petition liabilities-received after petition filed	\$ 20,727
Bank loans (see Note)	69,543,182
Note payable to related party	51,856,421
Real Property Tax	17,356
Accounts payable and other accrued expenses	439,241
Contracts and retentions payable	1,611,547
Due to related party	432,247
Due to member	1,000,000
Total pre-petition liabilities	<u>124,920,721</u>
Post-petition liabilities	36,848
Obligation for future costs recognized	9,309,787
Total liabilities	<u>134,267,356</u>
Member's deficit	<u>(4,413,231)</u>
Total liabilities and member's deficit	<u>\$ 129,854,125</u>

Note: The balance for bank loans is as of February 28, 2009, the date of the most recent accounting provided by the bank, less subsequent principal payments of \$2,500,000.

UST-13, COMPARATIVE INCOME STATEMENT*Please see attached Income Statement*

For the month of ⇒			
GROSS SALES			
Less: Returns and Allowances			
Net Sales			
Cost of Sales:			
Beginning Inventory			
Add: Purchases			
Less: Ending Inventory			
Cost of Goods Sold			
GROSS MARGIN			
Other Operating Expenses:			
Officers' Salaries			
Other Salaries/Direct Labor			
Employee Benefits/Payroll Taxes			
Insurance			
Rent			
General and Administrative			
NET OPERATING PROFIT (LOSS)			
Add: Other Income			
Less: Interest Expense			
Other Adjustments to Income (Explain)			
Gain (Loss) on Sale of Assets			
Net Profit (Loss) Before Taxes			
Income Taxes			
NET PROFIT (LOSS)			

Notes:

UST-13

The Cascadia Project LLC

Statements of Revenues, Expenses and Member's Deficit

Federal Income Tax Basis

For the period ended October 31, 2009

Operating expenses:	
Interest and bank charges (see Note)	\$ 518,235
Consulting and marketing	257,154
Insurance	269,520
Real estate taxes	43,330
Salaries and payroll	530,418
Security	46,713
Legal and accounting	204,790
Office and administrative	269,142
Travel and entertainment	13,184
Advertising and promotion	-
Less IRC 263(A) costs allocated to land and improvements	<u>To be determined</u>
Total expenses	2,152,486
Loss from operations	(2,152,486)
Other income (expenses):	
Interest income	29,186
Timber harvesting revenue	138,224
Other income	8,657
Depreciation and amortization	<u>To be determined</u>
Contributions	-
	<u>176,067</u>
Net loss	(1,976,419)
Member's deficit, beginning of year	(2,506,812)
Capital contributions, net	<u>70,000</u>
Member's deficit, end of this period	<u>\$ (4,413,231)</u>

Note: Includes bank interest through February 28, 2009, the date of the most recent accounting provided by the bank.

Debtor CASCADIA PROJECT LLC

Case Number → 09-20780

Report Mo/Yr → 10/2009

UST-14, SUMMARY OF DEPOSITS & DISBURSEMENTS

INSTRUCTIONS: BEFORE COMPLETING THIS PAGE, prepare a UST-14 CONTINUATION SHEET (see next page) for each bank account or other source of the debtor's funds. The deposit and disbursement total from each CONTINUATION SHEET will be used to complete this SUMMARY.

The debtor is responsible for providing an accurate monthly disbursement total for the purpose of calculating its obligation pursuant to 28 U.S.C. § 1930 (a)(6) to pay statutory fees to the United States Trustee. The disbursement total encompasses all payments made by the bankruptcy estate during the reporting month, whether made directly by the debtor or by another party for the debtor. It includes checks written and cash payments for inventory and equipment purchases, payroll and related taxes and expenses, other operating costs, and debt reduction. It also includes payments made pursuant to joint check arrangements and those resulting from a sale or liquidation of the debtor's assets. The only transactions normally excluded from the disbursement total are transfers within the same reporting month between multiple debtor accounts.

A fee payment is due within 30 days after the end of each calendar quarter, or on April 30, July 31, October 31, and January 31, respectively. Since the amount billed is an estimate, the debtor is responsible for paying the correct statutory fee based on its actual disbursements for the calendar quarter, or portion thereof the debtor was in Chapter 11. Failure to pay statutory fees to the United States Trustee is cause for conversion or dismissal of the case. A copy of the statutory fee schedule may be found on the United States Trustee's website located at: www.usdoj.gov/ust/r18/s_library.htm

If you have questions computing the disbursement total, contact the Bankruptcy Analyst assigned to your case at (206) 553-2000.

Summary of Deposits This Month

Deposits from UST-14 Continuation Sheet(s)	\$ 402.07
Cash receipts not included above (if any)	
TOTAL RECEIPTS	402.07

Summary of Disbursements This Month

Disbursements from UST-14 Continuation Sheet(s)	500.00
Disbursements resulting from asset sales out of the ordinary course (see Page 13, Question 1)	
Disbursements made by other parties for the debtor (if any, explain)	
TOTAL DISBURSEMENTS	Note: Enter the amount for TOTAL DISBURSEMENTS here and on Page 2. 500.00
NET CASH FLOW (TOTAL RECEIPTS MINUS TOTAL DISBURSEMENTS)	\$ (97.93)

At the end of this reporting month, did the debtor have any delinquent statutory fees owing to the United States Trustee? Yes ☐ No ☒ If "Yes", list each quarter that is delinquent and the amount due.

(UST-14 CONTINUATION SHEETS, with attachments, should follow this page.)

Debtor CASCADIA PROJECT LLC

Case Number → 09-20780

Report Mo/Yr → 10/2009

**UST-14, CONTINUATION SHEET
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

INSTRUCTIONS: Prepare a CONTINUATION SHEET for each bank account or other source of the debtor's funds and attach supporting documents as indicated on the checklist below.

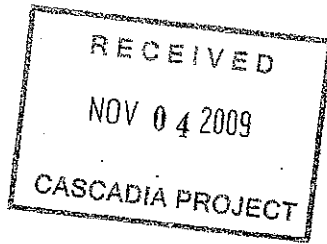
Depository (bank) name Account number	→ →	The Commerce Bank of Washington Checking account # [REDACTED] 2367
Purpose of this account (select one): <input checked="" type="checkbox"/> General operating account <input type="checkbox"/> General payroll account <input type="checkbox"/> Tax deposit account (payroll, sales, gambling, or other taxes) <input type="checkbox"/> Other (explain) _____		
Beginning cash balance	October 15, 2009 as previously reported	\$ 26,613.99
Add:	Transfers in from other estate bank accounts	
	Cash receipts deposited to this account	
	Financing or other loaned funds (identify source)	
Total cash available this month		26,613.99
Subtract:	Transfers out to other estate bank accounts	
	Cash disbursements from this account (total checks written plus cash withdrawals, if any)	500.00
Adjustments, if any (explain)	Void a pre-petition payment check	17,356.27
Ending cash balance		\$ 43,470.26
Does this CONTINUATION SHEET include the following supporting documents, as required:		Yes No
A monthly bank statement (or trust account statement);		<input checked="" type="checkbox"/> <input type="checkbox"/>
A detailed list of receipts for that account (deposit log or receipts journal);		<input type="checkbox"/> <input checked="" type="checkbox"/>
A detailed list of disbursements for that account (check register or disbursement journal); and,		<input checked="" type="checkbox"/> <input type="checkbox"/>
If applicable, a detailed list of funds received and/or disbursed by another party for the debtor.		<input type="checkbox"/> <input checked="" type="checkbox"/>

UST-14 CONTINUATION SHEET, Number 1 of 5

THE
COMMERCE
BANK
OF WASHINGTON

ACCOUNT:

PAGE: 1
2367 10/30/2009



The Cascadia Project, LLC
11232 NE 15th Street #201
Bellevue WA 98004-3719

30
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61

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The Commerce Bank of Washington will be closed on Wednesday,
November 11th in observance of Veterans Day and Thursday, November 26th
in observance of Thanksgiving Day
As there will be no regular courier service, please contact Barbara at
(206) 292-3900 the previous business day if you need a special delivery.
Thank you for your continued business.

=====

Checking ACCOUNT 2367

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LAST STATEMENT 09/30/09 25,978.15
4 CREDITS 380,000.00 ✓
69 DEBITS 319,494.27 ✓
THIS STATEMENT 10/30/09 86,483.88 ✓

----- DEPOSITS -----

REF #	DATE	AMOUNT	REF #	DATE	AMOUNT	REF #	DATE	AMOUNT
	10/14	100,000.00 ✓						

----- OTHER CREDITS -----

DESCRIPTION	DATE	AMOUNT
ONLINE TRANSFER FROM PERSONAL MONEY MARKET-0739	10/06	30,000.00 ✓
ONLINE TRANSFER FROM PERSONAL MONEY MARKET-0739	10/13	50,000.00 ✓
ONLINE TRANSFER FROM PERSONAL MONEY MARKET-0739	10/15	200,000.00 ✓

----- CHECKS -----

CHECK #	DATE	AMOUNT	CHECK #	DATE	AMOUNT	CHECK #	DATE	AMOUNT
493*	10/06	4,964.15-	504	10/16	3,331.56-	10245*	10/02	271.40-
497	10/06	5,303.10-	505*	10/16	1,750.84-	10247	10/01	2,355.40-
498	10/08	5,855.58-	508*	10/19	767.66✓	10248	10/02	59.00-
499	10/05	3,331.57-	10222*	10/07	1,075.45-	10249	10/08	2,980.58-
500	10/05	2,178.46-	10241	10/02	72.78-	10250	10/07	875.50-
501	10/16	526.71-	10242	10/05	695.00-	10251	10/06	382.49-
502	10/19	5,303.10-	10243	10/01	277.86-	10252	10/19	75.00-
503	10/19	5,855.59-	10244	10/02	74.46-	10253	10/14	1,010.57-

*** CONTINUED ***

506 void
509

THE
COMMERCE
BANK
OF WASHINGTON

ACCOUNT:

PAGE: 2
2367 10/30/2009

The Cascadia Project, LLC

Checking ACCOUNT 2367

CHECKS					
CHECK #	DATE	AMOUNT	CHECK #	DATE	AMOUNT
10254	10/09	3,665.16	10272	10/22	90.91
10255	10/09	2,500.00	10273	10/23	183.96
10256*	10/13	5,400.00	10274	10/22	1,103.00
10258	10/09	345.00	10275	10/20	900.00
10259*	10/09	4,187.50	10276*	10/22	289.65
10261	10/14	5,877.06	10278	10/27	77.24
10262*	10/13	1,080.00	10279	10/20	345.00
10264	10/19	10,000.00	10280	10/20	100.00
10265*	10/20	12,800.00	10281	10/20	190.53
10267*	10/26	202.80	10282	10/20	219.55
10269	10/27	10.17	10283	10/28	150.00
10270	10/20	235.83	10284	10/20	1,000.00
10271	10/23	3,000.00	10285	10/20	1,805.32
			10286	10/20	875.50
			10287	10/22	2,913.72
			10288	10/22	4,600.00
			10289	10/23	5,177.69
			10290	10/28	10,000.00
			10291	10/20	1,000.73
			10292	10/23	246.78
			10293	10/22	59.00
			10294*	10/20	5,877.06
			10296*	10/20	25,000.00
			10301	10/22	19.38

(*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

OTHER DEBITS		
DESCRIPTION	DATE	AMOUNT
FPRS FIDELITY Commerce Bank CK 31329 001	10/05	41.67
270968000658767 IRS USATAXPYMT	10/07	120.25
270968000960407 IRS USATAXPYMT	10/07	4,030.16
OWT MILLER NASH LLP POOLED IOLTA ACCT THE CASCADIA PROJECT LLC ATTN ACCOUNTING D	10/13	15,000.00
270968700694528 IRS USATAXPYMT	10/14	134.53
Federal Tax Deposit	10/15	4,265.31
ONLINE TRANSFER TO BUSINESS CHECKING-5566	10/15	10,000.00
OWT MILLER NASH LLP POOLED IOLTA ACCT THE CASCADIA PROJECT LLC ATTN ACCOUNTING D	10/15	125,000.00

DAILY BALANCE					
DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
10/01	23,344.89	10/09	10,335.63	10/20	114,608.18
10/02	22,867.25	10/13	38,855.63	10/22	105,532.52
10/05	16,620.55	10/14	131,833.47	10/23	96,924.09
10/06	35,970.81	10/15	192,568.16	10/26	96,721.29
10/07	29,869.45	10/16	186,959.05	10/27	96,633.88
10/08	21,033.29	10/19	164,957.70	10/28	86,483.88

CP CK Reonc Oct'09

Checking#367
11/6/09

Page 1

Reconciliation Summary

BANK STATEMENT -- CLEARED TRANSACTIONS:

Previous Balance:

9/30/09 25,978.15

Checks and Payments
Deposits and Other Credits

69 Items -319,494.27
6 Items 380,000.00

Ending Balance of Bank Statement:

10/30/09 86,483.88

YOUR RECORDS -- UNCLEARED TRANSACTIONS:

Cleared Balance:

86,483.88

Checks and Payments
Deposits and Other Credits

16 Items -43,013.62 -60,360.88
1 Item 0.00

Register Balance as of 10/31/09:

43,470.26 -26,113.00

Checks and Payments
Deposits and Other Credits

0 Items 0.00
0 Items 0.00

Register Ending Balance:

26,113.00

43,470.26

Uncleared Transaction Detail after 10/31/09

Date	Num	Payee	Memo	Category	Clr	Amount
Uncleared Checks and Payments						
<i>Pre-petition</i>						
1/14/08	6621	Pierce County	Discovery Center sewer ...	[Cap-Discovery Center]		-50.00
4/30/09	10106	Mark Enebrad	4/28/09 PCo permit 198t...	[Cap-Permit]		-75.00
9/25/09	10246	Pierce County	trailer alarm register	[Cap-Mgmt]		-24.00
10/6/09	10257	Katheryn Heath	12 months land lease 3/...	Marketing Exp		-1,800.00
10/6/09	10260	Roday Signage LLC	signage #9-0049,9-0096...	Marketing Exp		-640.25
10/14/09	10263	Gordon, Thomas, Honeyw...	3/11/09 #631286 legal c...	[Cap-Legal]		-10,000.00
10/15/09	10266	Atlas Construction Special...	7/30/09#01626108 brac...	[Cap-Discovery Center]		-39.35
10/15/09	10268	Corr Cronin Michelson Ba...	8/31/09#3 legal	Legal Service		-456.50
10/15/09	10277	Media Portfolio	9/2/09#0907.CS11a pre...	Marketing Exp		-4,000.00
10/15/09	10295	Thompson Smith Consult...	2 pr consulting invs	Marketing Exp		-5,000.00
10/15/09	10297	United Site Services	Discovery Center temp f...	Marketing Exp		-261.02
10/15/09	10298	Valtus Capital Group	9/23/09#148 Aug & Sep ...	Consulting Svcs		-20,000.00
10/15/09	10299	Water Buffalo Inc.	9/9/09#5925 trailer water...	[Cap-Mgmt]		-167.50
<i>Y</i> 10/15/09	10300	Pierce County	09-2nd half property tax	Tax:Property		-17,356.27
10/21/09	10303	Pierce County	open space application	Bus. Exp		-250.00
10/21/09	10304	Pierce County	open space application	Bus. Exp		-250.00
Total Uncleared Checks and Payments				15 16 Items		-60,360.89 -43,013.62
Uncleared Deposits and Other Credits						
10/21/09	10302	**VOID**				0.00
Total Uncleared Deposits and Other Credits				1 Item		0.00
Total Uncleared Transactions				17 16 Items		-60,360.89 -43,013.62

The Cascadia Project LLC
Checking Account Register
10/16/09-10/31/09

<u>Date</u>	<u>Check#</u>	<u>Vender</u>	<u>Amount</u>
Beginning Book Balance 10/16/09			\$ 43,970.26
10/21/09	10303	Pierce County	(250.00)
10/21/09	10304	Pierce County	(250.00)
Total Disbursement 10/16/09 - 10/31/09			<u>(500.00)</u>
Ending Book Balance 10/31/09			<u><u>\$ 43,470.26</u></u>

Debtor

Cascadia Project LLC

Case Number

⇒

09-20780

Report Mo/Yr

⇒

10/2009

**UST-14, CONTINUATION SHEET
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

INSTRUCTIONS: Prepare a CONTINUATION SHEET for each bank account or other source of the debtor's funds and attach supporting documents as indicated on the checklist below.

Depository (bank) name Account number	⇒ ⇒	<u>The Commerce Bank of Washington</u> <u>Money Market account # [REDACTED] 2375</u>
Purpose of this account (select one): <input checked="" type="checkbox"/> General operating account <input type="checkbox"/> General payroll account <input type="checkbox"/> Tax deposit account (payroll, sales, gambling, or other taxes) <input type="checkbox"/> Other (explain) _____		
Beginning cash balance		\$ 1,529.29
Add:	Transfers in from other estate bank accounts	
	Cash receipts deposited to this account <u>Interest</u>	0.63
	Financing or other loaned funds (identify source)	
Total cash available this month		1,529.92
Subtract:	Transfers out to other estate bank accounts	
	Cash disbursements from this account (total checks written plus cash withdrawals, if any)	
Adjustments, if any (explain)		
Ending cash balance		\$ 1,529.92
Does this CONTINUATION SHEET include the following supporting documents, as required:		
	Yes	No
• A monthly bank statement (or trust account statement);	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• A detailed list of receipts for that account (deposit log or receipts journal);	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• A detailed list of disbursements for that account (check register or disbursement journal); and,	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• If applicable, a detailed list of funds received and/or disbursed by another party for the debtor.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

UST-14 CONTINUATION SHEET, Number

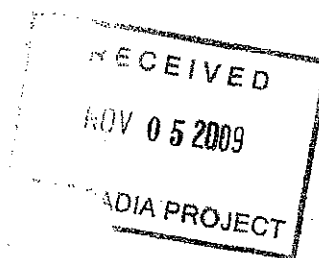
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THE
COMMERCE
BANK
OF WASHINGTON

ACCOUNT:

2375

PAGE: 1
10/30/2009



The Cascadia Project, LLC
11232 NE 15th Street #201
Bellevue WA 98004-3719

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The Commerce Bank of Washington will be closed on Wednesday, November 11th in observance of Veterans Day and Thursday, November 26th in observance of Thanksgiving Day. As there will be no regular courier service, please contact Barbara at (206) 292-3900 the previous business day if you need a special delivery. Thank you for your continued business.

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Money Market ACCOUNT 2375

INTEREST THIS STATEMENT	.63	LAST STATEMENT 09/30/09	1,529.29
INTEREST PAID 2009	1,139.55	1 CREDITS	.63
MINIMUM BALANCE	1,529.29	DEBITS	.00
AVG AVAILABLE BALANCE	1,529.29	THIS STATEMENT 10/30/09	1,529.92
AVERAGE BALANCE	1,529.29		

----- OTHER CREDITS -----			
DESCRIPTION	DATE	AMOUNT	
INTEREST AT .5012 %	10/30	.63	

----- DAILY BALANCE -----		
DATE.....BALANCE	DATE.....BALANCE	DATE.....BALANCE
10/30 1,529.92		

- END OF STATEMENT -

ENTERED
NOV 09 2009

Debtor Cascadia Project LLC

Case Number

⇒

09-20780

Report Mo/Yr

⇒

10/2009**UST-14, CONTINUATION SHEET
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

INSTRUCTIONS: Prepare a CONTINUATION SHEET for each bank account or other source of the debtor's funds and attach supporting documents as indicated on the checklist below.

Depository (bank) name	⇒	Home Street Bank															
Account number	⇒	Money Market account # [REDACTED] 6012															
Purpose of this account (select one): <input type="checkbox"/> General operating account <input type="checkbox"/> General payroll account <input type="checkbox"/> Tax deposit account (payroll, sales, gambling, or other taxes) <input checked="" type="checkbox"/> Other (explain) <u>Restricted Escrow account</u>																	
Beginning cash balance		\$ 113,845.72															
Add:	Transfers in from other estate bank accounts																
	Cash receipts deposited to this account	<u>Interest</u> 134.49															
	Financing or other loaned funds (identify source)																
Total cash available this month		113,980.21															
Subtract:	Transfers out to other estate bank accounts																
	Cash disbursements from this account (total checks written plus cash withdrawals, if any)																
Adjustments, if any (explain)																	
Ending cash balance		\$ 113,980.21															
Does this CONTINUATION SHEET include the following supporting documents, as required:																	
<table border="0"><thead><tr><th></th><th>Yes</th><th>No</th></tr></thead><tbody><tr><td>• A monthly bank statement (or trust account statement);</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td></tr><tr><td>• A detailed list of receipts for that account (deposit log or receipts journal);</td><td><input type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr><tr><td>• A detailed list of disbursements for that account (check register or disbursement journal); and,</td><td><input type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr><tr><td>• If applicable, a detailed list of funds received and/or disbursed by another party for the debtor.</td><td><input type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr></tbody></table>				Yes	No	• A monthly bank statement (or trust account statement);	<input checked="" type="checkbox"/>	<input type="checkbox"/>	• A detailed list of receipts for that account (deposit log or receipts journal);	<input type="checkbox"/>	<input checked="" type="checkbox"/>	• A detailed list of disbursements for that account (check register or disbursement journal); and,	<input type="checkbox"/>	<input checked="" type="checkbox"/>	• If applicable, a detailed list of funds received and/or disbursed by another party for the debtor.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Yes	No															
• A monthly bank statement (or trust account statement);	<input checked="" type="checkbox"/>	<input type="checkbox"/>															
• A detailed list of receipts for that account (deposit log or receipts journal);	<input type="checkbox"/>	<input checked="" type="checkbox"/>															
• A detailed list of disbursements for that account (check register or disbursement journal); and,	<input type="checkbox"/>	<input checked="" type="checkbox"/>															
• If applicable, a detailed list of funds received and/or disbursed by another party for the debtor.	<input type="checkbox"/>	<input checked="" type="checkbox"/>															

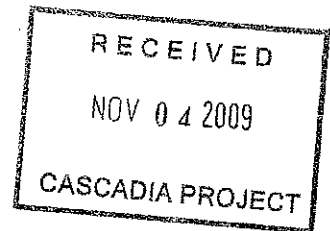
UST-14 CONTINUATION SHEET, Number 3 of 5



Last statement: September 30, 2009
This statement: October 31, 2009
Total days in statement period: 31

Page 1 of 2

6012
(0)



Direct inquiries to:
800 719-8080

CASCADIA DEVELOPMENT CORPORATION
11232 NE 15TH STREET SUITE 201
BELLEVUE WA 98004-3739

HomeStreet Bank
601 Union St, Suite 2000
Seattle WA 98101

ON MONDAY, 10-12-09 HOMESTREET IS SWITCHING TO THE MONEYPASS NETWORK OF SURCHARGE FREE ATMS. NOW, IN ADDITION TO HOMESTREET ATMS, YOU CAN ACCESS YOUR CHECKING AND SAVINGS SURCHARGE FREE AT MORE THAN 900 US BANK ATMS IN WASHINGTON AND OREGON PLUS ALL BANK OF HAWAII ATMS. (NOTE: OUR KEY BANK ATM SURCHARGE FREE NETWORK WILL BE DISCONTINUED 11/30/09) FOR ATM LOCATIONS VISIT: MONEYPASS.COM OR BOH.COM

Business Partnership MM

Account number	6012	Beginning balance	\$113,845.72 ✓
Low balance	\$113,845.72	Total additions	134.49 ✓
Average balance	\$113,845.72	Total subtractions	0.00
Interest paid year to date	\$1,360.50	Ending balance	\$113,980.21 ✓

CREDITS

Date	Description	Additions
10-31	Interest Credit	134.49

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
09-30	113,845.72	10-31	113,980.21		

INTEREST INFORMATION

Annual percentage yield earned	1.40%
Interest-bearing days	31
Average balance for APY	\$113,845.72
Interest earned	\$134.49

ENTERED
NOV 09 2009

Thank you for banking with HomeStreet Bank

Debtor CASCADIA PROJECT LLC

Case Number

09-20780

Report Mo/Yr

10/2009

**UST-14, CONTINUATION SHEET
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

INSTRUCTIONS: Prepare a CONTINUATION SHEET for each bank account or other source of the debtor's funds and attach supporting documents as indicated on the checklist below.

Depository (bank) name	⇒	Key Bank
Account number	⇒	Money Market account # [REDACTED] 7295
Purpose of this account (select one): <input checked="" type="checkbox"/> General operating account <input type="checkbox"/> General payroll account <input type="checkbox"/> Tax deposit account (payroll, sales, gambling, or other taxes) <input type="checkbox"/> Other (explain) _____		
Beginning cash balance		\$ 21.83
Add:	Transfers in from other estate bank accounts	
	Cash receipts deposited to this account	
	Financing or other loaned funds (identify source)	
Total cash available this month		21.83
Subtract:	Transfers out to other estate bank accounts	
	Cash disbursements from this account (total checks written plus cash withdrawals, if any)	
Adjustments, if any (explain)		
Ending cash balance		\$ 21.83
Does this CONTINUATION SHEET include the following supporting documents, as required:		
	Yes	No
A monthly bank statement (or trust account statement);	N/A	<input type="checkbox"/> <input checked="" type="checkbox"/>
A detailed list of receipts for that account (deposit log or receipts journal);	<input type="checkbox"/>	<input checked="" type="checkbox"/>
A detailed list of disbursements for that account (check register or disbursement journal); and,	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If applicable, a detailed list of funds received and/or disbursed by another party for the debtor.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

UST-14 CONTINUATION SHEET, Number 4 of 5

Debtor CASCADIA PROJECT LLC

Case Number ⇨

09-20780

Report Mo/Yr ⇨

10/2009

**UST-14, CONTINUATION SHEET
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

INSTRUCTIONS: Prepare a CONTINUATION SHEET for each bank account or other source of the debtor's funds and attach supporting documents as indicated on the checklist below.

Depository (bank) name ⇨	Home Street Bank																
Account number ⇨	Money Market account # [REDACTED] 5859																
Purpose of this account (select one): <input type="checkbox"/> General operating account <input type="checkbox"/> General payroll account <input type="checkbox"/> Tax deposit account (payroll, sales, gambling, or other taxes) <input checked="" type="checkbox"/> Other (explain) <u>Restricted escrow account</u>																	
Beginning cash balance		\$ 234,219.29															
Add:	Transfers in from other estate bank accounts																
	Cash receipts deposited to this account <u>Interest</u>	266.95															
	Financing or other loaned funds (identify source)																
Total cash available this month		234,486.24															
Subtract:	Transfers out to other estate bank accounts																
	Cash disbursements from this account (total checks written plus cash withdrawals, if any)																
Adjustments, if any (explain)																	
Ending cash balance		\$ 234,486.24															
Does this CONTINUATION SHEET include the following supporting documents, as required: <table border="0"> <tr> <td></td> <td>Yes</td> <td>No</td> </tr> <tr> <td>A monthly bank statement (or trust account statement);</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>A detailed list of receipts for that account (deposit log or receipts journal);</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>A detailed list of disbursements for that account (check register or disbursement journal); and,</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>If applicable, a detailed list of funds received and/or disbursed by another party for the debtor.</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> </table>				Yes	No	A monthly bank statement (or trust account statement);	<input checked="" type="checkbox"/>	<input type="checkbox"/>	A detailed list of receipts for that account (deposit log or receipts journal);	<input type="checkbox"/>	<input checked="" type="checkbox"/>	A detailed list of disbursements for that account (check register or disbursement journal); and,	<input type="checkbox"/>	<input checked="" type="checkbox"/>	If applicable, a detailed list of funds received and/or disbursed by another party for the debtor.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Yes	No															
A monthly bank statement (or trust account statement);	<input checked="" type="checkbox"/>	<input type="checkbox"/>															
A detailed list of receipts for that account (deposit log or receipts journal);	<input type="checkbox"/>	<input checked="" type="checkbox"/>															
A detailed list of disbursements for that account (check register or disbursement journal); and,	<input type="checkbox"/>	<input checked="" type="checkbox"/>															
If applicable, a detailed list of funds received and/or disbursed by another party for the debtor.	<input type="checkbox"/>	<input checked="" type="checkbox"/>															

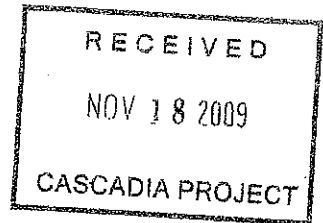
UST-14 CONTINUATION SHEET, Number 5 of 5



Last statement: September 30, 2009
This statement: October 31, 2009
Total days in statement period: 31

Page 1 of 2

5859
(0)



Direct inquiries to:
800 719-8080

HB IN TRUST FOR THE CASCADIA PROJECT LLC
601 UNION ST STE 2000 RENOVATION DEPT
SEATTLE WA 98101-1378

HomeStreet Bank
601 Union St, Suite 2000
Seattle WA 98101

ON MONDAY, 10-12-09 HOMESTREET IS SWITCHING TO THE
MONEYPASS NETWORK OF SURCHARGE FREE ATMS. NOW, IN
ADDITION TO HOMESTREET ATMS, YOU CAN ACCESS YOUR
CHECKING AND SAVINGS SURCHARGE FREE AT MORE THAN 900
US BANK ATMS IN WASHINGTON AND OREGON PLUS ALL BANK OF
HAWAII ATMS. (NOTE: OUR KEY BANK ATM SURCHARGE FREE
NETWORK WILL BE DISCONTINUED 11/30/09) FOR ATM LOCATIONS
VISIT: MONEYPASS.COM OR BOH.COM

HB Money Market

Account number	5859	Beginning balance	\$234,219.29
Low balance	\$234,219.29	Total additions	266.95
Average balance	\$234,219.29	Total subtractions	0.00
Interest paid year to date	\$2,852.93	Ending balance	\$234,486.24

CREDITS

Date	Description	Additions
10-31	Interest Credit	266.95

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
09-30	234,219.29	10-31	234,486.24		

INTEREST INFORMATION

Annual percentage yield earned	1.35%
Interest-bearing days	31
Average balance for APY	\$234,219.29
Interest earned	\$266.95

ENTERED

NOV 18 2009

Thank you for banking with HomeStreet Bank

Debtor Cascadia Project LLCCase Number ⇨ 09-20780Report Mo/Yr ⇨ 10/2009**UST-14, SUMMARY OF DISBURSEMENTS (contd.)****Payments on Pre-Petition Unsecured Debt (requires court approval)**Did the debtor, or another party on behalf of the debtor, make any payments during this reporting month on pre-petition unsecured debt? Yes ☐ No ☒ If "Yes", list each payment.

Payee's name	Nature of payment	Payment date	Payment amount	Date of court approval

Payments to Attorneys and Other Professionals (requires court approval)Did the debtor, or another party on behalf of the debtor, make any payments during this reporting month to a professional such as an attorney, accountant, realtor, appraiser, auctioneer, business consultant, or other professional person? Yes ☐ No ☒ If "Yes", list each payment.

Professional's name	Type of work performed	Payment date	Payment amount	Date of court approval

Payments to an Officer, Director, Partner, or Other Insider of The DebtorDid the debtor, or another party on behalf of the debtor, make any payments during this reporting month to an officer, director, partner, or other insider of the debtor? Yes ☐ No ☒ If "Yes", list each payment.

Payee's name	Relationship to debtor	Payment date	Payment amount	Purpose of payment

INSTRUCTIONS: Use the last column to describe the purpose of each payment, such as gross wages or salary, reimbursement for business expenses, loan repayment, advance, draw, bonus, dividend, stock distribution, or other reason for the payment(explain).

Debtor Cascadia Project LLCCase Number → 09-20780Report Mo/Yr → 10/2009**UST-15, STATEMENT OF AGED RECEIVABLES**

INSTRUCTIONS: Complete all portions of UST-15, STATEMENT OF AGED RECEIVABLES, unless the debtor asserts the following two statements are true for this reporting month:

- 1) At the beginning of the reporting month, the debtor did not have any uncollected receivables from prior months which includes both pre-petition and post-petition accounts receivable; and,
- 2) During the reporting month, the debtor did not have any receivables activity, including the accrual of new accounts receivable, or the collection or writeoff of accounts receivable from prior months.

Check here ☐ if the debtor asserts that both statements are correct and skip to UST-16, STATEMENT OF POST-PETITION PAYABLES, on the next page.

Accounts Receivable Aging

	Balance at month end	Current portion	Past due 31-60 days	Past due 61-90 days	Past due over 90 days	Uncollectible receivables
Pre-petition receivables	3,817,170	3,719,067			98,103	98,103*
Post-petition receivables						
TOTALS						

Explain what efforts the debtor made during this reporting month to collect receivables over 60 days past due.

* These pre-petition receivables are presently uncollectible.

Does the debtor have any accounts receivable due from an officer, director, partner, or other insider of the debtor?
If yes, explain.

No

Accounts Receivable Reconciliation

No activity since filing

Closing balance from prior month	
New accounts receivable added this month	
Subtotal	
Less accounts receivable collected	
Closing balance for current month	

Debtor Cascadia Project LLC

Case Number ⇨

09-20780

Report Mo/Yr ⇨

10/2009**UST-16, STATEMENT OF POST-PETITION PAYABLES
PART A - TAXES**

INSTRUCTIONS: Complete both pages of PART A - TAXES unless the debtor asserts the following statement is true for this reporting month:

At the end of this reporting month, the debtor did not have any unpaid post-petition taxes which includes both current and delinquent tax obligations.

Check here ☐ if the debtor asserts the statement is correct, and skip to PART B - OTHER PAYABLES on Page 10.

Reconciliation of Unpaid Post-Petition Taxes

Type of tax	(1) Unpaid post-petition taxes from prior reporting month	(2) Post-petition taxes accrued this month (new obligations)	(3) Post-petition tax payments made this reporting month	(4) Unpaid post-petition taxes at end of reporting month (Column 1+2-3 = 4)
Federal Taxes				
Employee withholding taxes		2,276.56		2,276.56
FICA/Medicare--Employee		552.99		552.99
FICA/Medicare--Employer		552.99		552.99
Unemployment		9.06		9.06
State Taxes				
Dept. of Revenue				
Dept. of Labor & Industries		3.99		3.99
Empl. Security Dept.		38.94		38.94
Other Taxes				
Local city/county				
Gambling				
Personal property				
Real property *				
Other				
Total Unpaid Post-Petition Taxes				\$ 3,434.53

* 2nd half 2009 taxes are considered as pre-petition.

Debtor Cascadia Project LLC

Case Number ⇨

09-20780

Report Mo/Yr ⇨

10/2009

**UST-16, STATEMENT OF POST-PETITION PAYABLES
PART A - TAXES (contd.)**

Delinquent Tax Reports and Tax Payments (post-petition only)

Taxing agency	Tax reporting period	Report due date	Payment due date	Amount due
<u>N/A</u>				

Explain the reason for any delinquent tax reports or tax payments:

Debtor Cascadia Project LLC

Case Number → 09-20780
Report Mo/Yr → 10/2009

**UST-16, STATEMENT OF POST-PETITION PAYABLES
PART B - OTHER PAYABLES**

INSTRUCTIONS: Complete both pages of PART B - OTHER PAYABLES unless the debtor asserts that this statement is true for this reporting month:

Except for taxes and professional fees disclosed in PART A and PART C of this report, respectively, the debtor has no other unpaid post-petition payables from the current reporting month, or from any prior reporting months.

Check here ☐ if the debtor asserts the statement is correct, and skip to PART C - ESTIMATED PROFESSIONAL FEES on Page 12.

Reconciliation of Post-Petition Payables (excluding taxes and professional fees)

Closing balance from prior month	<u>October 15, 2009</u>	<u>0</u>
New payables added this month		<u>33,912.58</u>
Subtotal		<u>33,912.58</u>
Less payments made this month		<u>500.00</u>
Closing balance for this reporting month		\$ <u>33,412.58</u>

Breakdown of Closing Balance by Age

Current portion	<u>33,412.58</u>
Past due 1-30 days	
Past due 31-60 days	
Past due 61-90 days	
Past due over 90 days	
Total	\$ <u>33,412.58</u>

For accounts payable more than 30 days past due, explain why payment has not been made:

Case Number	⇒	09-20780
Report Mo/Yr	⇒	10/2009

INSTRUCTIONS: List each post-petition payable delinquent more than 30 days. Alternatively, attach the debtor's accounts payable aging report if the report: 1) clearly separates pre-and post-petition accounts payable, and, 2) identifies each delinquent payable by vendor's name, invoice date, invoice amount, and payment due date.

[illegible]

Debtor Cascadia Project LLCCase Number ⇒ 09-20780
Report Mo/Yr ⇒ 10/2009**UST-16, STATEMENT OF POST-PETITION PAYABLES
PART C - ESTIMATED PROFESSIONAL FEES**

INSTRUCTIONS: Report only post-petition professional fees and expenses. To the extent possible, use billing statements to report the actual amounts due. If billing statements are not available, use the best information available to estimate the fees and costs.

Type of professional	Amount of retainer (if applicable)	Fees and expenses from prior months	<i>Estimated</i> Fees and expenses added this month	Total estimated fees and expenses at month end
Debtor's counsel	<u>125,000</u>		<u>25,000</u>	<u>25,000</u>
Debtor's accountant				
Debtor's other professional (explain)				
Trustee's counsel				
Creditors' Committee Counsel			<u>2,000</u>	<u>2,000</u>
Creditors' Committee other				
Total estimated post-petition professional fees and costs				<u>\$ 27,000</u>

Debtor Cascadia Project LLCCase Number ⇨ 09-20780
Report Mo/Yr ⇨ 10/2009**UST-17, OTHER INFORMATION**

INSTRUCTIONS: Answer each question fully and attach additional sheets if necessary to provide a complete response.

Yes No

Question 1 - Sale or Abandonment of the Debtor's Assets. Did the debtor, or another party on behalf of the debtor, sell, transfer, or otherwise dispose of any of the debtor's assets during the reporting month? Include only sales out of the ordinary course. *The debtor must attach an escrow statement for each sale of real property and an auctioneer's report for each auction.*

☐☒

<u>Asset Description</u>	<u>Date of Court Approval</u>	<u>Method of Disposition</u>	<u>Gross Sales Price</u>	<u>Net Proceeds Received (&Date)</u>	<u>Escrow Statement or Auctioneer's Report Attached?</u>
--------------------------	-------------------------------	------------------------------	--------------------------	--	--

1.

2.

3.

4.

5.

Total _____

Any disbursements made from escrow or trust accounts from the proceeds of the above transactions should also be included on the line of UST-14 entitled "Disbursements from sales out of the ordinary course."

Question 2 - Financing. During the reporting month, did the debtor receive any funds from an outside funding source?

☐☒

<u>Date of Court Approval</u>	<u>Amount</u>	<u>Source of funds</u>	<u>Date Received</u>
-------------------------------	---------------	------------------------	----------------------

Total _____

Question 3 - Insider Loans/Capital Contributions. During the reporting month, did the debtor receive any funds from an officer, director, partner, or other insider of the debtor?

☐☒

<u>Date of Court Approval</u>	<u>Amount</u>	<u>Source of funds</u>	<u>Date Received</u>
-------------------------------	---------------	------------------------	----------------------

Total _____

Debtor

Cascadia Project LLC

Case Number ⇨

09-20780

Report Mo/Yr ⇨

10/2009**UST-17, OTHER INFORMATION**

	Yes	No																		
Question 4 - Insurance and Bond Coverage. Did the debtor renew, modify, or replace any insurance policies during this reporting month? Renewals: <u>Provider</u> <u>New Premium</u> <u>Is a Copy Attached to this Report?</u> Changes: <u>Provider</u> <u>New Premium</u> <u>Is a Copy Attached to this Report?</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																		
Were any insurance policies canceled or otherwise terminated for any reason during the reporting month? If yes, explain.	<input type="checkbox"/>	<input checked="" type="checkbox"/>																		
Were any claims made during this reporting month against the debtor's bond? (Answer "No" if the debtor is not required to have a bond. If yes, explain.	<input type="checkbox"/>	<input checked="" type="checkbox"/>																		
Question 5 - Personnel Changes. Complete the following: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>Full-time</th> <th>Part-time</th> </tr> </thead> <tbody> <tr> <td>Number of employees at beginning of month</td> <td style="text-align: center;">5</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Employees added</td> <td></td> <td></td> </tr> <tr> <td>Employees resigned/terminated</td> <td></td> <td></td> </tr> <tr> <td>Number employees at end of month</td> <td style="text-align: center;">5</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Gross Monthly Payroll and Taxes</td> <td colspan="2" style="text-align: center;">\$ 19,375.75</td> </tr> </tbody> </table>				Full-time	Part-time	Number of employees at beginning of month	5	1	Employees added			Employees resigned/terminated			Number employees at end of month	5	1	Gross Monthly Payroll and Taxes	\$ 19,375.75	
	Full-time	Part-time																		
Number of employees at beginning of month	5	1																		
Employees added																				
Employees resigned/terminated																				
Number employees at end of month	5	1																		
Gross Monthly Payroll and Taxes	\$ 19,375.75																			
Question 6 - Significant Events. Explain any significant new developments during the reporting month. <div style="text-align: center; font-size: 1.2em;">None</div>																				
Question 7 - Case Progress. Explain what progress the debtor made during the reporting month toward confirmation of a plan of reorganization. <div style="text-align: center; font-size: 1.2em;">Interview potential financial advisor</div>																				